

OFFICIAL COPY

Fresno, California

July 17, 2007

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Larry Westerlund	Councilmember
	Blong Xiong	Acting Council President
	Henry Perea	Council President

Absent:	Cynthia Sterling	Councilmember
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Andy Souza, City Manager  
Jim Sanchez, City Attorney  
Becky Klisch, City Clerk  
Yolanda Salazar, Assistant City Clerk

Minister Chue Koua of the College Church of Christ gave the invocation, and President Perea led the Pledge of Allegiance.

**PRESENTATION OF THE SPCA PET OF THE MONTH**

The pet of the month available for adoption, a two month old male Australian Shepherd, was presented.

**PROCLAMATION OF "RIDE TO WORK DAY" - MAYOR AUTRY AND COUNCILMEMBER DUNCAN**

**PROCLAMATION OF "MIKE KIRN DAY" - CITY COUNCIL**

The above proclamations were read and presented.

**2<sup>ND</sup> QUARTER PROMOTIONAL CEREMONY**

Held.

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**APPROVE MINUTES OF JUNE 26, 2007**

On motion of Councilmember Westerlund, seconded by President Perea, duly carried, RESOLVED, the minutes of June 26, 2007, approved as submitted.

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**COUNCIL MEMBER REPORTS AND COMMENTS:**

COUNCILMEMBER WESTERLUND: (1) Condolences and prayers extended to Councilmember Sterling on the passing of her Mother, Elma Sterling, the first woman African-American council member, to Planning & Development Director Yovino on the passing of his wife, and to Clovis Council member Armstrong on the passing of his wife; and (2) get well wishes and prayers extended to police motor officer Santos who was seriously injured in a traffic accident and is now out of extensive care.

ACTING PRESIDENT XIONG: (1) Pursuant to AB 1234 reports on attendance at the Volunteer Commission meeting in Los Angeles (2 - 0) and the Ghandi/King/Ikeda exhibit at Fresno State; (2) notice of first meeting in the central valley of the AAPI Commission on August 24<sup>th</sup> at City Hall; and (3) thank you to public works and parks & recreation staff for dealing with Fremont concerns and issues at Quigley and Lions parks.

COUNCILMEMBER CALHOUN: (1) Comments on the successful joint meeting with the Board of Supervisors on consolidation and commendation to staff and the Chamber of Commerce for all their work and leadership; and (2) request for information on impact of Mayor Autry's withdrawal from the U.S. Conference of Mayors from a budgetary standpoint and city representation, with City Manager Souza responding and advising staff would continue to work on options and report back.

COUNCILMEMBER WESTERLUND: (1) Pursuant to AB 1234 reports on attendance at seminar in San Francisco on residential green building through the Commonwealth Club of California, and at the California Redevelopment Association Institute regarding development; (2) request for status reports on the Metropolitan Museum financing, the Comcast franchise agreement, and the financial policy; and (3) announcement of first Council Audit Committee meeting this Thursday at 11:00 a.m. in the Council Chamber.

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**APPROVE AGENDA:**

**(9:00 A.M.) PUBLIC COMMENT - SCHEDULED COMMUNICATION:**

(1) APPEARANCE BY DON GLASSON TO DISCUSS THE BUILDING INSPECTION DIVISION OF THE PLANNING AND DEVELOPMENT DEPARTMENT

Laid over one week at the request of Mr. Glasson.

**(1-H) APPROVE PURCHASE OF FIVE VACANT PARCELS LOCATED IN SOUTHWEST FRESNO (1122/1136/1150/1166/1212 S. WEST AVENUE) UTILIZING \$364,5000 IN HOME PROGRAM FUNDS FOR THE DEVELOPMENT OF MIXED INCOME SINGLE-FAMILY HOUSING**

Laid over one week at the request of staff.

**(3:00 P.M.) RESOLUTION - AUTHORIZING MAYOR'S EXECUTION OF PROGRAM AGREEMENT 1 WITH THE SAN JOAQUIN VALLEY POWER AUTHORITY IN ORDER FOR THE CITY TO PARTICIPATE IN A COMMUNITY CHOICE AGGREGATION PROGRAM**

Laid over one week at the request of the city manager.

**(10:00 A.M.) HEARING TO CONSIDER RESOLUTION OF INTENTION TO ANNEX FINAL TRACT NO. 5589 AS ANNEXATION NO. 18 TO CFD NO. 11 (Continue to July 31, 2007, at 10:15 a.m.)**

Continued as noted.

**(10:05 A.M.) CONTINUED HEARING REGARDING CFD NO. 11, ANNEXATION NO. 17, FINAL TRACT MAP NO. 5730 (Continue to July 31, 2007, at 10:00 a.m.)**

Continued as noted.

**(10:15 A.M.) HEARING REGARDING ALTERING THE MAXIMUM SPECIAL TAX FOR CFD NO. 2, ANNEXATION NOS. 81 AND 82, FINAL TRACT MAP NOS. 5258 AND 5295 (Continue to July 24, 2007, at 11:00 a.m.)**

Continued as noted.

On motion of Councilmember Westerlund, seconded by Acting President Xiong, duly carried, RESOLVED, the **AGENDA** hereby approved, *as amended*, by the following vote:

Ayes	:	Calhoun, Duncan, Westerlund, Xiong, Perea
Noes	:	Dages
Absent	:	Sterling

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Councilmember Calhoun pulled Items **1-I** and **1-J** from the Consent Calendar for separate discussion/action at 2:00 p.m.

**(1-A) RESOLUTION NO. 2007-234** - DEDICATING CERTAIN CITY-OWNED PROPERTY ON THE SOUTH SIDE OF CALIFORNIA AVENUE EAST OF WEST AVENUE FOR PUBLIC STREET, PUBLIC PEDESTRIAN WALKWAY, AND PUBLIC UTILITY PURPOSES

**(1-B) RESOLUTION NO. 2007-235** - DEDICATING EASEMENTS OVER CITY-OWNED PROPERTY ON THE SOUTHWEST CORNER OF MAPLE AND BYRD AVENUES FOR PUBLIC PEDESTRIAN WALKWAY, PUBLIC UTILITY, AND LANDSCAPING PURPOSES

**(1-C)** APPROVE THE ACQUISITION OF ONE STREET EASEMENT FROM PROPERTY ALONG WHITESBRIDGE BETWEEN WEST AVENUE AND FREEWAY 99 FROM PROPERTY OWNED BY MIGUEL SEPULVEDA; AND AUTHORIZE THE PUBLIC WORKS DIRECTOR TO ACCEPT THE STREET EASEMENT DEEDS FROM THE PROPERTY OWNER

**(1-D)** APPROVE AN AGREEMENT BETWEEN THE POLICE DEPARTMENT AND CALTRANS TO PROVIDE A FREEWAY LITTER CLEAN-UP PROGRAM WITH USE OF INMATE LABOR

**1. RESOLUTION NO. 2007-236** - 1<sup>ST</sup> AMENDMENT TO AAR 07-214 APPROPRIATING \$267,200 TO FUND THE PROGRAM

**(1-E) RESOLUTION NO. 2007-237** - 3<sup>RD</sup> AMENDMENT TO AAR 07-214 APPROPRIATING \$5,500 TO PROVIDE FUNDS FOR ANNUAL LEASE PAYMENTS OF A DIGITAL MAIL MACHINE

**1.** AUTHORIZE THE GENERAL SERVICES DIRECTOR TO EXECUTE A LEASE AGREEMENT THROUGH THE CITY'S MASTER LEASE PURCHASE AGREEMENT FOR THE LEASE PURCHASE OF A NEW DIGITAL POSTAGE METERING MACHINE

**(1-F)** REJECT ALL BIDS FOR THE SOUND MITIGATION PROJECT AT THE FRESNO SURFACE WATER TREATMENT FACILITY

**(1-G)** AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH QUAD KNOPF FOR SERVICES RELATED TO THE HOUSING ELEMENT TO REFLECT AN INCREASE IN TOTAL FEES FROM \$49,973 TO \$109,519

**(1-K) RESOLUTION NO. 2007-238** - AUTHORIZING ACCEPTANCE OF A GRANT AWARD OF \$125,000 FROM THE STATE OF CALIFORNIA BUSINESS TRANSPORTATION AND HOUSING AGENCY FOR THE METRO RURAL LOOP

**1. RESOLUTION NO 2007-239** - 2<sup>ND</sup> AMENDMENT TO AAR 07-214 APPROPRIATING THE \$125,000 TO THE PLANNING & DEVELOPMENT DEPARTMENT TO CONDUCT A FEASIBILITY STUDY

**(1-L) RESOLUTION NO. 2007-240** - INITIATING REZONING (PRE-ZONING) ON 35 PARCELS TOTALING APPROXIMATELY 57.51 ACRES WITHIN THE CITY OF FRESNO'S SPHERE OF INFLUENCE

On motion of Councilmember Westerlund, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

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**(9:00 A.M.) PUBLIC COMMENT - UNSCHEDULED COMMUNICATION:**

Christina High, Darnell Austin, Stage Door Childrens Theatre President Dina Coker, Carolyn Nagel, and Kim (last name inaudible), all spoke and expressed concerns relative to the Memorial Auditorium and with youth groups and other non profit organizations being excluded and unable to book the auditorium. City Manager Souza advised his office and parks & recreation would review the lease and work with affected groups and report back in two weeks.

Ricky H. Goodwin, 1111 N. Sherman Ct. #742, spoke to an incident wherein a FAX bus driver slammed the door in his face and he was unable to ride the bus, and to his court appearance and complaint filed with the City.

Donald W. Sims stated he still had a serious issue with the Redevelopment Agency and expressed concern with the treatment of West Fresno, and advised a meeting was scheduled this date with staff to try to resolve the issue and he would wait for the outcome and hopefully not have to come back before Council.

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**(9:45 A.M.) CITY COUNCIL:**

**(A) BILL NO. B-57 - ORDINANCE NO. 2007-57 - AMENDING THE FRESNO MUNICIPAL CODE CARD ROOM ORDINANCE BY ELIMINATING WAGER LIMITS FOR TEXAS HOLD 'EM - COUNCILMEMBER DAGES**

Councilmember Dages reviewed the issue and spoke in support of the ordinance and Club One, advised the change was three tables Monday through Thursday and five tables Friday through Sunday for no limit poker, and made a motion to approve, which motion was seconded by Councilmember Duncan.

Speaking in support were: George Sarantos, owner of Club One; and Kyle Kirkland, Los Angeles, CA, member of a group who is purchasing Club One.

City Manager Souza reiterated the Mayor had concerns with this ordinance and would probably be in a position to consider vetoing the matter.

President Perea stated he supported the motion but might have paused had the police department come out against the amendment, and stated this was about everyone being on equal footing.

On motion of Councilmember Dages, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Bill No. B-57 adopted as Ordinance No. 2007-57, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

**(B) REQUEST FOR STAFF UPDATE ON FANCHER CREEK SHOPPING CENTER AND BUSINESS PARK - COUNCILMEMBER DAGES**

Councilmember Dages stated he was frustrated that this project has been going on and on and on and added even though Council approved this about two years ago dirt had not yet been turned, with City Manager Souza and Assistant Planning & Development Director Bergthold giving a status report on the project and associated issues and advising a more in-depth report would be provided including specific time lines for the project moving forward. Councilmember Dages elaborated further on his frustrations stressing this project would generate \$57 million in the first five years and provide a number of jobs and it was not being pushed along, with Mr. Souza and Mr. Bergthold responding. Mr. Bergthold responded to questions of President Perea relative to how many issues and what kind of issues dealt with outside agencies, if there were any entitlements the City could approve now **(3 - 0)**, and if there was anything Council could do to help. President Perea requested staff include in their report what can be moved on the City side that staff is comfortable with and does not require settlement of issues with outside agencies.

Tom Richards, representing Fancher Creek, stated he concurred with staff's comments, they had a good working relationship with staff, there had been some movement, and this was a large and complex project and it was going to take years to complete, explaining throughout.

There was no further discussion.

Councilmember Calhoun read his memo as submitted to Council into the record, stated this was a non-partisan invitation and elaborated further, and made a motion to request staff to issue the invitation. The motion was seconded by Councilmember Westerlund who stated this was a great idea, acknowledged it might go over “like a lead balloon” as the candidates had a lot on their calendars but stated that was ok and we would see what happens, and stated issues he felt needed to be discussed were air pollution and water and explained.

On motion of Councilmember Calhoun, seconded by Councilmember Westerlund , duly carried, RESOLVED, staff requested to issue an invitation to the field of current U.S. Presidential candidates to participate in a Town Hall meeting in Fresno prior the February 5<sup>th</sup> Primary to discuss issues that are important to the city of Fresno and the region, with a focus on immigration issues, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

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#### **RECESS - 10:22 A.M. - 10:33 A.M.**

The City Council recessed at 10:33 a.m. convened in joint session with the Redevelopment Agency.

#### **(10:30 A.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY**

##### **APPROVE AGENCY MINUTES OF JUNE 26, 2007**

On motion of Councilmember Westerlund, seconded by President Perea, duly carried, RESOLVED, the Agency minutes of June 26, 2007, approved as submitted.

#### **(A) HEARING ON THE PROPOSED FIVE-YEAR IMPLEMENTATION PLAN FOR THE ROEDING BUSINESS PARK REDEVELOPMENT PROJECT AREA**

##### **1. AGENCY RESOLUTION NO. 1702 - APPROVING THE PROPOSED FIVE-YEAR IMPLEMENTATION PLAN**

Vice Chair Dages announced the time had arrived to consider the issue and opened the hearing.

Project Manager Freeman gave an in-depth overview of the issue, all as contained in the staff report as submitted.

Nick Audino, CB Richard Ellis/Horizon Enterprises, referenced material/map submitted to the joint bodies and spoke to Dan Ronquillo (DR)Drive and its expansion, and requested funding be identified for the re-alignment of DR Drive for direct freeway access.

Councilmember Duncan presented comments and questions relative to studies indicating the need to complete DR Drive to market the business park, how the property will now skyrocket with Trump National Golf Course, what can be done to complete DR Drive to bring the property up to proper standards, the expansion of runways at Chandler to accommodate Lear jets, and if there was any way the City could front-load the completion of DR Drive and the runway expansions, with Director Murphey and City Manager Souza responding. Councilmember Duncan stated prime industrial space would be an extraordinary opportunity if Trump National does becomes a reality and he felt it would be wise to front-load the two projects as payback would be real quick, and made a motion to approve staff's recommendation. The motion was seconded by Councilmember Westerlund who presented questions and comments relative to the number of jobs that were created in the buildings Mr. Audino sold, if there were plans for Phase II, the good things going on at the business park and need to keep moving forward, and what the increase was in tax increment, with Mr. Audino and Ms. Murphey responding.

On motion of Councilmember Duncan, seconded by Councilmember Westerlund, duly carried, RESOLVED, the above entitled Resolution No. 1702 hereby adopted, by the following vote:

Ayes	:	Calhoun, Duncan, Perea, Westerlund, Xiong, Dages
Noes	:	None
Absent	:	Sterling

**(B) ACTIONS RELATING TO THE PROPOSED BEL-AIR MOTEL PROJECT IN THE FREEWAY 99-GOLDEN STATE CORRIDOR REDEVELOPMENT PROJECT AREA**

**1. JOINT RESOLUTION NO. 2007-241/1703 - APPROVING A RELOCATION PLAN**

**2. AGENCY RESOLUTION NO. 1704 - ADOPTING A REPLACEMENT HOUSING PLAN RELATING TO THE ACQUISITION OF THE BEL-AIR MOTEL**

Project Manager Freeman reviewed the issue, all as contained in the staff report as submitted.

On motion of Councilmember Westerlund, seconded by Acting President Xiong, duly carried, RESOLVED, the above entitled Joint Resolution No. 2007-241/1703 and Agency Resolution No. 1704 hereby adopted, by the following vote:

Ayes	:	Calhoun, Duncan, Perea, Westerlund, Xiong, Dages
Noes	:	None
Absent	:	Sterling

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The joint bodies adjourned their meeting at 10:57 a.m. and the City Council reconvened in regular session.

**(10:40 A.M.) TEFRA HEARING AS REQUIRED BY THE INTERNAL REVENUE CODE CONCERNING THE PROPOSED ISSUANCE OF REVENUE BONDS BY THE HOUSING AUTHORITY TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A MULTIFAMILY RESIDENTIAL RENTAL PROJECT, COMMONLY KNOWN AS YOSEMITE VILLAGE**

**1. RESOLUTION NO. 2007-242 - APPROVING THE ISSUANCE OF REVENUE BONDS BY THE HOUSING AUTHORITY IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6 MILLION**

President Perea announced the time had arrived to consider the issue and opened the hearing.

Assistant Controller Bradley reviewed the issue, all as contained in the staff report as submitted, and recommended approval.

Upon call, no one wished to be heard and President Perea closed the hearing.

On motion of Councilmember Westerlund, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2007-242 hereby adopted, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

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**(10:50 A.M.) TEFRA HEARING AS REQUIRED BY THE INTERNAL REVENUE CODE CONCERNING THE PROPOSED ISSUANCE OF REVENUE BONDS BY THE HOUSING AUTHORITY TO FINANCE THE ACQUISITION AND CONSTRUCTION OF TWO MULTIFAMILY RESIDENTIAL RENTAL PROJECTS, COMMONLY KNOWN AS ELM CROSSINGS**

**1. RESOLUTION NO. 2007-243 - APPROVING THE ISSUANCE OF REVENUE BONDS BY THE HOUSING AUTHORITY IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5 MILLION**

President Perea announced the time had arrived to consider the issue and opened the hearing.

Assistant Controller Bradley reviewed the issue, all as contained in the staff report as submitted, and recommended approval.

Upon call, no one wished to be heard and President Perea closed the hearing.

On motion of Councilmember Westerlund, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2007-243 hereby adopted, by the following vote:

Ayes : Calhoun, Dages, Duncan, Westerlund, Xiong, Perea  
Noes : None  
Absent : Sterling

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**(11:00 A.M.) GENERAL ADMINISTRATION:**

**(A) INFORMATIONAL REPORT ON CURRENT PENSION ISSUES AND THE RESULT OF SPECIAL ACTUARIAL STUDIES PROJECTING THE AVAILABILITY OF SURPLUS EARNINGS IN THE RETIREMENT SYSTEMS OVER THE NEXT SEVEN ACTUARIAL VALUATIONS**

**(4 - 0)** Retirement Administrator McDivitt gave an in-depth overview of pension health care issues including what is going on at the State level, and the two updated surplus projection studies which he stated were important to the City's operation and long-term budgeting needs and requirements, all as contained in the staff report as submitted.

Extensive discussion ensued with Councilmembers Calhoun, Duncan, Westerlund and President Perea commending Mr. McDivitt, his staff, and the Retirement Boards, and presenting numerous questions/comments relative to Approaches 1 & 2, the Retirement Office's interaction the finance department, preparation for market changes, any red flags Council needs to be aware of, actual and projected contributions, potential for increased contributions, the system looking non-sustainable in the future, if options (defined payment plans/401Ks for new employees) were being looked at for better control, worries about the future, the different models/position growth/how public safety numbers were determined, concern with status of Health & Welfare Trust in terms of funded and unfunded liabilities, the \$2 million set-aside, and investments and if the Board considers the City's goals. Mr. McDivitt, City Manager Souza and City Controller Rousseau responded throughout and there was no further discussion.

**LUNCH RECESS - 11:49 A.M. - 2:00 P.M.**

**(B) ACCEPT CITY OF FRESNO COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR FISCAL YEAR 2006 AND RELATED LETTER TO MANAGEMENT**

Assistant Controller Bradley reviewed the issue, all as contained in the staff report as submitted, and along with City Manager Souza, Controller Rousseau and City Attorney Sanchez responded to questions of Councilmember Calhoun relative to **(5 - 0)** the auditor's finding of a deficiency in internal controls of capital assets, if staff was doing everything possible to resolve the issue, if it was possible to see higher bond ratings or if there was a risk the City's ratings could drop, if awards help bond ratings, if there was a process to lobby for ratings, and if the City's bond ratings has gone up since 2001. Councilmember Calhoun made a motion to accept the CAFR.

Discussion continued with Councilmember Westerlund presenting comments/questions/concerns relative to Council just now addressing the one year old CAFR, why this came to Council so late when the audit was completed last December, changes that have occurred and need for Council to receive the report one to two months after staff receives the field work for the CAFR to be effective, GASB 34 and capturing and showing assets, what else staff has learned has not been captured, if a manual was being prepared, uncollected fees and collection rate, the Council Audit Committee up and running, and information technology and surprise with the lack of a written IT security policy, with Mr. Souza and Mr. Rousseau responding throughout.

On motion of Councilmember Calhoun, seconded by Councilmember Dages, duly carried, **RESOLVED**, the City of Fresno Comprehensive Annual Financial Report for Fiscal Year 2006 and related Letter to Management hereby accepted, by the following vote:

Ayes : Calhoun, Dages, Duncan, Westerlund, Xiong, Perea  
Noes : None  
Absent : Sterling

**( C ) DISCUSSION AND APPROVAL OF TAXI CAB REQUIREMENTS AND FARE RATE RECOMMENDATION**

**1. RESOLUTION NO. 2007-244 - ESTABLISHING RATES OF FARE TO BE CHARGED BY TAXI CABS IN THE CITY OF**

## FRESNO

Controller Rousseau reviewed the issue, all as contained in the staff report as submitted, and responded to comments and questions of Councilmember Calhoun relative to the transition period for the taxi industry and the issues addressed back in 2001, the length of time it took to raise rates, need to have a mechanism in place to periodically review rates, and the increase in the “drop rate” and what the drop rate was. Councilmember Calhoun commended staff stating the City had come a long way in the last six years and made a motion to approve.

On motion of Councilmember Calhoun, seconded by Acting President Xiong, duly carried, RESOLVED, the above entitled Resolution No. 2007-244 hereby adopted, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

### **(D) ACCEPT WRITTEN RESPONSE TO TAXI CAB INDUSTRY OWNERS’ REQUEST FOR INFORMATION**

Controller Rousseau gave an overview of the issue, all as contained in the staff report as submitted.

On motion of Councilmember Westerlund, seconded by President Perea, duly carried, RESOLVED, the written response to the taxi cab industry owners’ request for information hereby accepted, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

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### **CONTESTED CONSENT CALENDAR:**

#### **(1-I) APPROVE THE UTILIZATION OF PREVIOUSLY AWARDED WORKFORCE HOUSING GRANT REWARD FUNDS IN THE AMOUNT OF \$757,169 TO WIDEN THE WILLOW AVENUE BRIDGE NORTH OF JENSEN AVENUE, IN SUPPORT OF NUMEROUS ADJACENT CITY-SPONSORED AFFORDABLE HOUSING DEVELOPMENTS**

Councilmember Calhoun advised his concern had been the three quarters of a million dollars for a bridge and upon his request HCD Manager Sigala explained how this was a good use of the funds, how this project will benefit housing developments in the area, and priorities and the importance of the bridge. **(6 - 0)** A motion and second was made to approve staff’s recommendation.

Mr. Sigala responded to questions and concerns of Councilmember Westerlund relative to amount of funds the City received from Proposition 46 funds, why these funds were being spent on a bridge and infrastructure, the affordable housing plan for the 10 acre city-owned parcel, when these funds have to be spent, and his idea of affordable housing being actual dwellings and there being other outstanding issues and priorities.

On motion of Councilmember Calhoun, seconded by Councilmember Dages, duly carried, RESOLVED, the utilization of previously awarded Workforce Housing Grant Reward funds in the amount of \$757,169 to widen the Willow Avenue Bridge north of Jensen Avenue hereby approved, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Xiong, Perea
Noes	:	Westerlund
Absent	:	Sterling

#### **(1-J) APPROVE AMENDMENT NO. 1 TO THE U.S. HOUSING AND URBAN DEVELOPMENT (HUD) ECONOMIC DEVELOPMENT INITIATIVE (EDI) PROGRAM SUBRECIPIENT AGREEMENT WITH ONE BY ONE LEADERSHIP, APPROVING**



A TIME EXTENSION FROM JULY 11, 2007, TO DECEMBER 31, 2008, SUBJECT TO CITY ATTORNEY APPROVAL, FOR THE REHABILITATION OF A MINIMUM OF EIGHT (8) HOMES WITHIN THE JEFFERSON/LOWELL TARGET AREA

City Attorney Sanchez advised he had a conflict of interest as a voluntary One by One Leadership board member and recused himself and left the meeting at 3:00 p.m.

Councilmember Calhoun noted this happened before with another group, stated staff works in good faith with community-based groups and Council allocates the money to them instead of contractors and he was troubled and unhappy with this request, and questioned why these problems, although unexpected, are allowed to go on and how this got to this point, with HCD Manager Sigala and One by One Leadership Foundation CEO Mike Zachary responding and explaining issues and the work and efforts to get the project back on track. Acting President Xiong stated he just wanted to make sure One by One was dealing with the issues/problems, he had a passion for community-based organizations doing a great job in the community, and this was a learning lesson for all.

On motion of Councilmember Dages, seconded by Acting President Xiong, duly carried, RESOLVED, Amendment No. 1 to the HUD EDI Program Subrecipient Agreement with One by One Leadership hereby approved, by the following vote:

Ayes	:	Calhoun, Dages, Duncan, Westerlund, Xiong, Perea
Noes	:	None
Absent	:	Sterling

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City Manager Souza introduced his one week old grandson, Cole, to Council, and Mr. Souza and his family were congratulated.

**(2:00 P.M. #2) CLOSED SESSION:**

**(A) CONFERENCE WITH LABOR NEGOTIATOR - EMPLOYEE ORGANIZATIONS:**

1. INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY ENGINEERS (LOCAL 39)
2. INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 100 (IBEW)
3. FRESNO POLICE OFFICERS ASSOCIATION (FPOA MANAGEMENT UNIT)
4. INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 753 (IAFF MANAGEMENT UNIT)

The City Council met in closed session in Room 2125 at the hour of 3:08 p.m. to consider the above matters and reconvened in regular open session at 3:34 p.m.

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**(2:30 P.M.) ACTIONS REGARDING FY 2008 BUDGET CONSIDERATION REQUESTS AND LINE ITEM VETOES**

**( A ) REQUEST FOR MAYORAL VETO - PRESIDENT PEREA (Requires 5 affirmative votes)**

1. REDUCTION OF \$350,000 RELATED TO POLICE DEPARTMENT GANG SUPPRESSION/INTELLIGENCE UNIT (RES. 2007-214 - AAR)
2. REDUCTION OF \$100,000 AS MATCHING FUNDS FOR STORYLAND/PLAYLAND AS CURRENTLY PRESENTED (RES. 2007-214 - AAR)

**( B ) REQUEST FOR RECONSIDERATION - CHARTER MANDATED (Requires simple majority vote)**

1. RECONSIDER ADDING THE INDEPENDENT POLICE AUDITOR (IPA) TO THE PAR IN THE CITY MANAGER'S OFFICE (RES. 1007-215 - PAR)
2. RECONSIDER ADDING THE EXECUTIVE ANALYST TO COUNCIL POSITION BACK INTO THE PAR IN THE COUNCIL PRESIDENT'S BUDGET EFFECTIVE 1/1/08 (RES. 2007-215 - PAR)
3. RECONSIDER \$350,000 OF RESOURCES FOR THE POLICE DEPARTMENT AS ORIGINALLY PROPOSED IN THE DEPARTMENT'S FY 2008 BUDGET (RES. 2007-214 - AAR)

**150-12**

**7/17/07**

4. RECONSIDER AN ADDITIONAL \$50,000 OF FUNDING FOR THE REGIONAL JOBS INITIATIVE (RJI) TO RESTORE TO PROPOSED LEVEL OF \$175,000 (RES. 2007-214 - AAR)
5. RECONSIDER ADDING THE INDEPENDENT POLICE AUDITOR (IPA) IN THE SALARY RESOLUTION IN 2008 (RES. 2007-217 - SALARY RESOLUTION)

**( C ) REQUEST FOR RECONSIDERATION** (Requires simple majority vote)

**1. RECONSIDER \$100,000 MATCH FOR STORYLAND/PLAYLAND FOR THE SPECIFIC PURPOSE OF CAPITAL REPAIRS TO THE LAKE'S CIRCULATION EQUIPMENT (RES. 2007-214 - AAR)**

Upon the request of President Perea, City Attorney Sanchez explained the process for the reconsiderations.

Councilmember Westerlund spoke to items A-2 and C-1, requested the two items be continued one week noting he received information relative to the possibility of looking at a potential merger of Storyland/Playland (SL/PL) with the Zoo and elaborated, and stated talks of merger was a tremendous opportunity and made a motion to continue the items to allow the involved parties to talk in the interim.

Speaking to the issue were: Barry Falke, Executive Director of Rotary SL/PL, who stated he had not heard anything close to a merger, stated SL/PL had a good working relationship with the Zoo and he felt it was best to keep the two separate, and spoke in support of overriding the veto stating the matching funds were very important to SL/PL and were different from the \$75,000 given for operational issues; and R. L. Chip Putnam, President of North Fresno Rotary, who stated SL/PL had a great deal of value as a separate entity and spoke in support of overriding the veto.

Mr. Falke responded to questions of Councilmember Westerlund relative to the merger and why he felt it was best to keep the Zoo and SL/PL separate. Councilmember Westerlund stated the two entities needed to consider a merger noting SL/PL had struggled in the past to make revenues work and he would push for a merger, whereupon, on President Perea's question, City Attorney Sanchez confirmed discussion on the merger exceeded the Brown Act and advised discussion be limited to the veto and reconsideration.

Councilmember Duncan stated he would support continuing A-2 but wanted to vote down C-1 this date and upon his request Councilmember Westerlund amended his motion to continue only Item A-2, which was seconded by Councilmember Duncan. Councilmember Duncan stated SL/PL's purpose was to provide entertainment, it was appropriate to always look at a better way to do things, he was disappointed to hear comments opposing a merger, serious dialog needed to occur in the next week as a merger made sense, and stated SL/PL was for families and this was not a turf issue.

Councilmember Dages stated all the items should be continued one week for a full Council and made a motion to table.

On motion of Councilmember Dages, seconded by Acting President Xiong, the above entitled Item A-1, A-2, B-1, B-2, B-3, B-4, B-5 and C-1 tabled one week for consideration by a full Council, by the following vote:

Ayes : Calhoun, Dages, Duncan, Westerlund, Xiong, Perea  
Noes : None  
Absent : Sterling

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President Perea extended "Happy Birthday" wishes to District 2 Council Assistant Ann Kloose on her 45<sup>th</sup> birthday.

**ADJOURNMENT**

There being no further business to bring before the City Council, the hour of 4:01p.m. having arrived and hearing no objections, President Perea declared the meeting adjourned in honor of Councilmember Sterling's Mother, the city's first African-American Council woman.

*Approved* on the \_\_\_\_24th\_\_\_\_ day of \_\_\_\_\_ July \_\_\_\_\_, 2007.

\_\_\_\_\_/s/\_\_\_\_\_  
Henry T. Perea, Council President

ATTEST: \_\_\_\_\_/s/\_\_\_\_\_  
Yolanda Salazar, Assistant City Clerk